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Indonesia

Livestock and Products Indonesian Lifts Ban on U.S. Beef Imports 2004

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Report Highlights:

On May 31, 2004, the Director General of Livestock Services, Ministry of Agriculture announced that the ban on imports of some ruminants products from the United States had been removed. The ban was due to the BSE outbreak in the United States in December 24, 2003.

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ISSUE

Effective May 31, 2004, the Director General of Livestock, Indonesian Ministry of Agriculture (MOA), removed the ban on imports of some ruminant products from the United States. The products now allowed to enter the country include meat, semen, embryos, hearts, livers, and feet tendon. The restrictions on meat and bone meal import remains. The announcement states that MOA's Emergency Committee Team made the decision based on an evaluation of developments in the BSE situation in the US, the US surveillance system, and the strict monitoring measures implemented at slaughtering plants and throughout the processing chain.

The announcement also mentioned that US had followed the OIE Terrestrial Animal Health Code guidelines on handling the situation as agreed in the General Session of the 27th of OIE meeting in Paris last week.

Background: Indonesian Situation

On December 24, 2003, MOA issued an official statement banning imports of U.S. meat as of that date, but made exceptions for products in-transit with B/Ls prior to 24 December. With that action, only two countries remained eligible to export beef to Indonesia: Australia and New Zealand. In recent weeks, importers, retailers, and restaurant owners had noted that these restrictions had limited supply and affected prices. In addition, recent media reports had suggested that a significant amount of meat was entering Indonesia illegally, which some suggested was also being caused by the few alternative sources of imported beef.

U.S. beef has a relatively minor share in Indonesia's beef import market, which is dominated by Australia. In 2003, total meat and variety meat imports totaled \$15 million. However, Indonesia is an extremely important market for U.S. exporters of offal, particularly livers and hearts.

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